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If you have sold or transferred all your shares in **Fornton Group Limited** (the “Company”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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FORNTON GROUP LIMITED

豐臨集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1152)

**(1) PROPOSED GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

Unless the context requires otherwise, capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the annual general meeting (the “AGM”) to be held at Unit A, 32nd Floor, Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong on 4 June 2014 at 10:00 a.m. is set out on pages 13 to 16 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the office of the Company’s branch share registrar in Hong Kong, Union Registrars Limited at 18/F., Fook Lee Commercial Centre Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the accompanying form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof (as the case may be) should you so wish.

28 April 2014

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held and convened at Unit A, 32nd Floor, Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong on Wednesday, 4 June 2014, at 10:00 a.m., notice of which is set out on pages 13 to 16 of this circular or, where the context so requires any adjournment thereof
“Billion Mission”	Billion Mission Limited, a company incorporated in Anguilla with limited liability and wholly and beneficially owned by Mr. Zheng Qiang, substantial shareholder of the Company
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	Fornton Group Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 1152)
“Director(s)”	the directors of the Company
“Ever Rosy”	Ever Rosy Limited, a company incorporated in the British Virgin Islands with limited liability and wholly and beneficially owned by Ms. Wong Kan Kan, Kandy, executive Director and controlling shareholder of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IAM”	Integrated Asset Management (Asia) Limited, a company incorporated in the British Virgin Islands with limited liability and wholly and beneficially owned by Mr. Yam Tak Cheung, executive Director and controlling shareholder of the Company
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with additional Shares up to the amount not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM

DEFINITIONS

“Latest Practicable Date”	22 April 2014, being the latest practicable date prior to printing of this circular for the purpose of ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of AGM”	the notice to convene the AGM set out on pages 13 to 16 of this circular
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares up to the amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD

FORNTON GROUP LIMITED

豐臨集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1152)

Executive Directors:

Mr. Yam Tak Cheung (*Chairman*)
Ms. Wong Kan Kan, Kandy (*Managing Director*)
Mr. Wong Tat Wai, Derek
Mr. Zheng Qiang
Mr. Han Hanting

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-Executive Director:

Mr. Chan Yee, Herman

Headquarter and Principal Place of

Business in Hong Kong:

Unit A, 32nd Floor
Legend Tower
7 Shing Yip Street
Kwun Tong
Kowloon
Hong Kong

Independent Non-Executive Directors:

Mr. Wang Wei Hung, Andrew
Mr. Cheng Dickson
Mr. Sin Ka Man

28 April 2014

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the granting of the Issue Mandate and the Repurchase Mandate; and (ii) the re-election of retiring Directors.

The purpose of this circular is to provide you with the Notice of AGM and information reasonable necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

LETTER FROM THE BOARD

PROPOSED GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

Issue Mandate

Pursuant to the ordinary resolution passed at the annual general meeting of the Company held on 15 May 2013, the Directors have been granted a general and unconditional mandate to allot, issue and deal with additional Shares up to the amount not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue. Such mandate will expire at the conclusion of the AGM. An ordinary resolution will be proposed at the AGM that the Directors be granted a general and unconditional mandate to allot, issue and deal with additional Shares up to the amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution to approve the Issue Mandate.

As at the Latest Practicable Date, the number of Shares in issue was 832,000,000 Shares. Subject to the passing of the ordinary resolution for the approval of the Issue Mandate and on the basis that no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Issue Mandate to allot, issue and deal with additional Shares up to a maximum of 166,400,000 new Shares, representing 20% of the issued share capital of the Company at the date of passing the resolution to approve the Issue Mandate.

An ordinary resolution will also be proposed to authorise the extension of the Issue Mandate by an addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate (if granted).

Details of the Issue Mandate and the extension of the Issue Mandate are set out in ordinary resolutions no. 4B and 4C in the Notice of AGM respectively.

Repurchase Mandate

Pursuant to the ordinary resolution passed at the annual general meeting of the Company held on 15 May 2013, the Directors have been granted a general and unconditional mandate to exercise all the powers of the Company to repurchase Shares up to the amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue. Such mandate will expire at the conclusion of the AGM. An ordinary resolution will be proposed at the AGM that the Directors be granted a general and unconditional mandate to exercise all the powers of the Company to repurchase Shares up to the amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution to approve the Repurchase Mandate.

As at the Latest Practicable Date, the number of Shares in issue was 832,000,000 Shares. Subject to the passing of the ordinary resolution for the approval of the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 83,200,000 Shares, representing 10% of the issued share capital of the Company as at date of passing the resolution to approve the Repurchase Mandate.

The explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

The Repurchase Mandate and the Issue Mandate, if granted, will continue to be in force during the period from the date of passing of the ordinary resolutions for the approval of the Repurchase Mandate and the Issue Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; or (iii) the date on which such authority is revoked or varied by ordinary resolution of the Shareholders at a general meeting of the Company, whichever occurs first.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with bye-laws 84 of the Bye-laws, at each general meeting of the Company one third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The Board has determined that Mr. Wang Wei Hung, Andrew and Mr. Cheng Dickson shall retire from their offices as Independent Non-executive Director at the AGM. Being eligible, Mr. Wang Wei Hung, Andrew and Mr. Cheng Dickson would offer themselves for re-election.

In accordance with bye-laws 84 of the Bye-laws, Mr. Zheng Qiang and Mr. Han Hanting, whose appointments of executive Director took effect from 16 May 2013, and Mr. Chan Yee, Herman, whose appointment of non-executive Director took effect from 2 July 2013, shall hold office until the Annual General Meeting and then be eligible for re-election. Mr. Zheng Qiang, Mr. Han Hanting, and Mr. Chan Yee, Herman have been recommended by the board of directors of the Company and would offer themselves for re-election.

Biographical details and other information of the Directors who are to be re-elected at the AGM are set out in the Appendix II to this circular.

THE AGM

A notice convening the AGM to be held at Unit A, 32nd Floor, Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong on Wednesday, 4 June 2014 at 10:00 a.m. is set out on pages 13 to 16 of this circular.

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be), should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules and bye-law 66 of the Bye-laws, any vote of the Shareholders at a general meeting must be taken by way of a poll and therefore, the proposed resolutions are to be decided by way of a poll. An announcement will be made by the Company after the conclusion of the AGM on the poll results of the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief and there are no other matters the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors are of the opinion that the proposed grant of the Issue Mandate, the Repurchase Mandate and the extension of Issue Mandate and the proposed re-election of retiring Directors are in the interests of the Company, the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions as set out in the Notice of AGM.

GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular and the Notice of AGM. In the event of inconsistency, the English texts of this circular shall prevail over the Chinese texts.

On behalf of the Board
Fornton Group Limited
Yam Tak Cheung
Chairman

This appendix includes an explanatory statement to be presented to Shareholders under the Listing Rules concerning the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 832,000,000 Shares. Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares will be issued and repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 83,200,000 Shares, representing 10% of the issued share capital of the Company as at the date of passing the resolution to approve the Repurchase Mandate.

2. REASONS FOR SHARE REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company, the Group and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earning per Share. The Directors are seeking the grant of a general mandate to repurchase the Shares to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining. Repurchase will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

Any repurchase will be made out of funds which are legally available for such purpose in accordance with the memorandum of association of the Company, the Bye-laws and the Companies Act 1981 of Bermuda. Such funds may include capital paid upon the repurchased Shares, fund otherwise available for dividend or distribution, and the proceeds of issue of new Shares made for the purpose of the repurchase. In the event that the Repurchase Mandate was to be exercised out in full at any time during the proposed repurchase period, there might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the Company's annual report for the year ended 31 December 2013. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing ratio which in the opinion of the Directors are from time to time appropriate for the Company.

4. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders. No other connected persons (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and the Bye-laws.

6. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares in the six months preceding the Latest Practicable Date.

7. SHARE PRICE

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
April	0.800	0.550
May	1.350	0.745
June	1.250	1.155
July	1.495	1.180
August	1.595	1.305
September	1.530	1.390
October	1.775	1.305
November	1.620	1.530
December	1.575	1.440
2014		
January	1.510	1.000
February	1.390	0.975
March	1.475	0.970
April (up to and including the Latest Practicable Date)	1.500	0.910

* As a result of the share sub-division effective on 6 March 2014, The highest and lowest prices at which the Shares have traded on the Stock Exchange during April 2013 to March 2014 were divided by two accordingly.

8. TAKEOVERS CODE

If as a result of the Directors exercising the powers to repurchase Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholders' interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the substantial shareholders having interests in 10% or more of the issued share capital of the Company were:

Name of Shareholder	Number of the Shares held	Approximate % shareholding	
		As at the Latest Practicable Date	If Repurchase Mandate is exercised in full
Ever Rosy	208,000,000	25.00%	27.78%
IAM	208,000,000	25.00%	27.78%
Billion Mission	208,000,000	25.00%	27.78%

On the basis of 832,000,000 Shares in issue, if the Directors exercise in full the power to repurchase Shares which is proposed to be granted at the AGM and assuming no further Shares are issued by the Company, the interest of each of abovementioned substantial shareholders in the issued share capital of the Company would be increased from approximately 25.00% to 27.78% of the then issued share capital of the Company. The Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchase of Shares pursuant to the Repurchase Mandate and have no intention to exercise the Repurchase Mandate to such an extent as would result in the amount of Shares held by the public being reduced to less than 25%.

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM:

Mr. Zheng Qiang (“Mr. Zheng”), aged 34, has over 10 years of experience in corporate management and business development. Mr. Zheng has been an executive director of Heilongjiang Province Heihe City Hua Fu Real Estate Development Company Limited (黑龍江省黑河市華富房地產開發有限責任公司) and Heilongjiang Province Heihe Hua Fu Mall Company Limited (黑龍江省黑河華富商城有限責任公司).

Mr. Zheng has entered into a service agreement with the Company as an executive Director for a term of two years commencing from 16 May 2013. He is subject to retirement and rotation for at least once every three years and re-election at AGMs in accordance with the Bye-laws.

As at the Latest Practicable Date, Mr. Zheng was beneficially interested in 208,000,000 Shares through his holding of all the issued shares of Billion Mission under the meaning of Part XV of the SFO. Mr. Zheng did not hold any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years.

Currently, the Company pays emolument in the amount of HK\$50,000 per month to Mr. Zheng. The emolument was determined by the Board with reference to his qualification, duties and responsibilities with the Company and the market benchmark.

Mr. Han Hanting (“Mr. Han”), aged 30, has more than 7 years of experience in investment banking industry. He has been an investment manager of Fortune Assets Management Limited, a wholly owned subsidiary of China Fortune Group Limited (Stock Code: 290) which listed on the main board of the Stock Exchange of Hong Kong Limited. Prior thereto, he was research associate in CCB International Securities Limited and debt capital market internship in UBS, Investment Bank. Mr. Han obtained his bachelor degree from University of Warwick majoring in Mathematics, Operational Research, Statistics and Economics in July 2006.

Mr. Han has entered into a service agreement with the Company as an executive Director for a term of two years commencing from 16 May 2013. He is subject to retirement and rotation for at least once every three years and re-election at AGMs in accordance with the Bye-laws.

Currently, the Company pays emolument in the amount of HK\$50,000 per month to Mr. Han. The emolument was determined by the Board with reference to his qualification, duties and responsibilities with the Company and the market benchmark.

Mr. Chan Yee, Herman (“Mr. Chan”), aged 59, is currently an associate of Y.T. Chan & Co., a firm of solicitors, and has over 4 years of experience in the legal sector. He was admitted as solicitor of the High Court in Hong Kong in May 2011. Prior to his legal career, he was a superintendent in the Hong Kong Police Force and had served the public for over 36 years. Mr. Chan obtained his bachelor of laws (LLB) degree from the University of London in 2003 and postgraduate certificate in laws from City University of Hong Kong in 2005.

Mr. Chan has entered into a service agreement with the Company as a non-executive Director for a term of two years commencing from 2 July 2013. He is subject to retirement and rotation for at least once every three years and re-election at AGMs in accordance with the Bye-laws.

Currently, the Company pays director fee in the amount of HK\$100,000 per annual to Mr. Chan. The Director fee was determined by the Board with reference to his qualification, duties and responsibilities with the Company and the market benchmark.

Mr. Wang Wei Hung, Andrew (“Mr. Wang”), aged 58, was appointed as independent non-executive Director on 11 October 2011. He was admitted as Solicitor of the High Court in Hong Kong in January 1982 and has over 30 years of experience in the legal sector. Mr. Wang was the Head of Legal and Compliance Department of China Development Bank Corporation Hong Kong Branch until September 2011. Before joining China Development Bank Corporation Hong Kong Branch in 2010, he was the Partner of the Finance & Projects Group of DLA Piper Hong Kong between the period from 2006 to 2009. Mr. Wang is also a Notary Public since 1992. Actively involved in Public Sector Advisory and Statutory Bodies, he is Chairman of Residential Care Homes (Elderly Persons) Appeal Board, Chairman of Appeal Tribunal Panel (Buildings), Member of Notaries Public Disciplinary Tribunal Panel. Mr. Wang is a Fellow of the Hong Kong Institute of Directors and was appointed as an arbitrator of the International Economic and Trade Arbitration Commission. In 2005, he was invited by former President Bill Clinton to participate as a business leader at the Clinton Global Initiative held in New York 2005.

Mr. Wang has renewed a service agreement with the Company as an independent non-executive Director for a term of two years commencing from 11 October 2013. He is subject to retirement and rotation for at least once every three years and re-election at AGMs in accordance with the Bye-laws.

Currently, the Company pays director fee in the amount of HK\$100,000 per annual to Mr. Wang. The Director fee was determined by the Board with reference to his qualification, duties and responsibilities with the Company and the market benchmark.

Mr. Cheng Dickson (“Mr. Cheng”), aged 44, was appointed as independent non-executive Director on 11 October 2011. Mr. Cheng is currently an executive director of Mizuho Securities Asia Limited. Prior thereto, he worked in JP Morgan between 1994 and 1996. In December 1995, he was promoted to TCRM Professional in its Global Markets Department. Between 1996 and 2000, Mr. Cheng worked in the Securities Lending Department of The Bank of New York, Hong Kong Branch. From 2000 to 2002, he worked in BOC International Holdings Limited and before he left BOC International Holdings Limited, he was the Assistant Vice President of BOCI Asia Limited. On 19 August 2002, he joined ICEA Capital Limited and worked in ICEA Capital Limited until 31 October 2005 when he was a Senior Vice President of its Investment Banking Division. Mr. Cheng then joined Mitsubishi UFJ Securities (HK) Capital, Limited in November 2005 and he worked there until June 2008 when he was an executive director of its Capital Markets Department in the Investment Banking Division. Mr. Cheng has more than 17 years of experience in investment banking industry. Mr. Cheng obtained his bachelor degree of art in University of Toronto majoring in economics in June 1994 and master degree of applied finance in Macquarie University in Australia in November 2000.

Mr. Cheng has renewed a service agreement with the Company as an independent non-executive Director for a term of two years commencing from 11 October 2013. He is subject to retirement and rotation for at least once every three years and re-election at AGMs in accordance with the Bye-laws.

Currently, the Company pays director fee in the amount of HK\$100,000 per annual to Mr. Cheng. The Director fee was determined by the Board with reference to his qualification, duties and responsibilities with the Company and the market benchmark.

Save as disclosed above, the abovementioned Directors do not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company within the meaning of the Listing Rules and there is no other matters concerning the abovementioned Directors that need to be brought to the attention of the Shareholders nor any other information to be disclosed pursuant to the requirements of rule 13.51(2) of the Listing Rules.

NOTICE OF THE AGM

FORNTON GROUP LIMITED

豐臨集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1152)

NOTICE IS HEREBY GIVEN that an annual general meeting of Fornton Group Limited (the “Company”) will be held at Unit A, 32nd Floor, Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong on Wednesday, 4 June 2014 at 10:00 a.m. to consider and, if thought fit, pass (with or without modification) the following resolutions:

1. To receive and adopt the audited financial statements, directors’ reports and independent auditor’s report of the Company for the ended 31 December 2013.
2. To re-elect the following retiring directors of the Company and to authorize the board of directors of the Company to fix the directors’ remuneration:
 - (A) Mr. Zheng Qiang as an executive director of the Company;
 - (B) Mr. Han Hanting as an executive director of the Company;
 - (C) Mr. Chan Yee, Herman as a non-executive director of the Company;
 - (D) Mr. Wang Wei Hung, Andrew as an independent non-executive director of the Company;
 - (E) Mr. Cheng Dickson as an independent non-executive director of the Company; and
 - (F) to authorize the board of directors to fix the directors’ remuneration.
3. To re-appoint SHINEWING (HK) CPA Limited as the Company’s auditor and to authorize the board of directors of the Company to fix its remuneration.
4. To consider, as special business, and if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTION

- (A) **“THAT**
 - (a) subject to the paragraph (b) of this resolution below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed at any time and which is recognized by the Securities and Future Commission of Hong Kong and the Stock Exchange as amended from time to time for this purpose, subject to and in accordance with all applicable law, be and is hereby generally and unconditionally approved;

NOTICE OF THE AGM

- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorization given to the directors and shall authorize the directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of the shares of the Company to be purchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; or
 - (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

(B) “THAT

- (a) subject to the paragraph (c) of this resolution below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the directors be and are hereby authorized during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors pursuant to the approval in paragraph (a) and (b) of this resolution above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any option granted under the share option scheme adopted by the Company or an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend

NOTICE OF THE AGM

scheme or similar arrangement in accordance with the bye-laws of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution; and

- (d) for the purpose of this resolution, “Relevant Period” means the period from the time of passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; or
 - (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

- (C) “**THAT** conditional upon the passing of resolutions 4A and 4B set out in the notice convening this meeting, the aggregate nominal amount of the share capital of the Company which are repurchased by the Company pursuant to and in accordance with the said resolution 4A shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with resolution 4B as set out in the notice convening this meeting.”

On behalf of the Board
Fornton Group Limited
Yam Tak Cheung
Chairman

28 April 2014

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Headquarter and Principal Place of
Business in Hong Kong:*
Unit A, 32nd Floor
Legend Tower
7 Shing Yip Street
Kwun Tong
Kowloon
Hong Kong

NOTICE OF THE AGM

Notes:

1. In order to determine the entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Friday, 30 May 2014 to Wednesday, 4 June 2014 (both days inclusive), during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong for registration not later than 4:00 p.m. on Thursday, 29 May 2014.
2. Any member of the Company entitled to attend and vote at the meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a member. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he/she or they represent as such member could exercise.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority shall be delivered to the Company's branch share registrar, Union Registrars Limited at 18/F., Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or the adjourned meeting or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
5. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Where there are joint holders of any shares of the Company, any one of such joint holder may vote either in person or by proxy in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
7. As at the date hereof, the executive directors of the Company are Mr. Yam Tak Cheung, Ms. Wong Kan Kan, Kandy, Mr. Wong Tat Wai, Derek, Mr. Zheng Qiang and Mr. Han Hanting, the non-executive director is Mr. Chan Yee, Herman and the independent non-executive directors are Mr. Wang Wei Hung, Andrew, Mr. Cheng Dickson and Mr. Sin Ka Man.
8. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the annual general meeting, the meeting will be postponed. The Company will post an announcement on the website of the Company at <http://www.fornton.com> and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.